CONSUMER PRICE

INDEX

REPORT

JULY 2008

MANITOBA
BUREAU OF STATISTICS

RIGHT ANSWERS
RIGHT NOW

August 21, 2008

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CONSUMER PRICE INDEX – JULY 2008

	PERCENT CHANGE - ALL ITEMS INDEX	
	JULY 08/JULY 07	JULY 08/JUNE 08
MANITOBA	2.6	0.5
CANADA	3.4	0.3

The Manitoba all items index rose 2.6% in July 2008 compared with July 2007, up from the June annual rate of 2.4%. Canada's annual rate of price increase in July was 3.4%, up from its June rate of 3.1%.

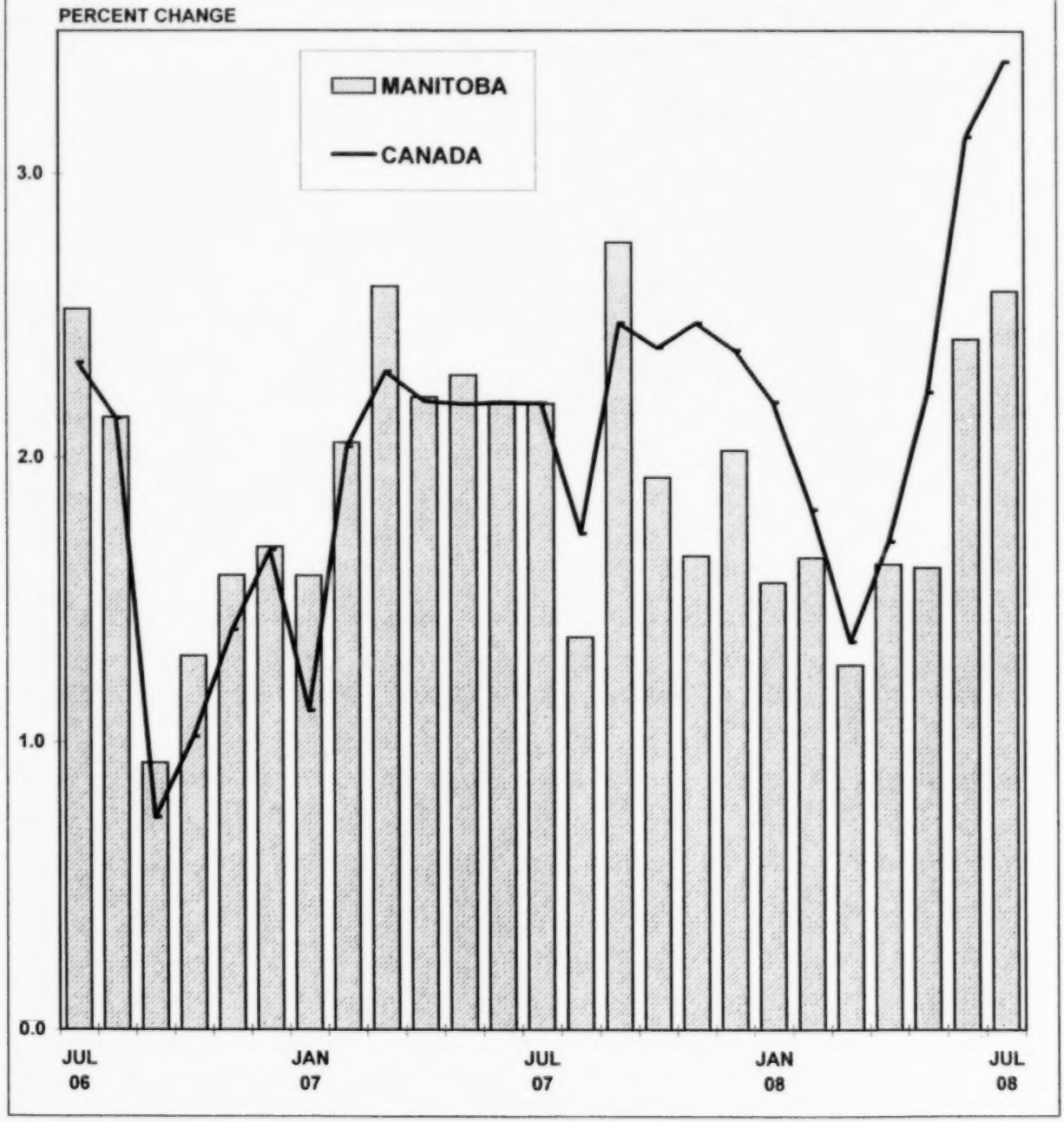
Chart 1 presents a summary of price changes for Manitoba and Canada over the last two years. The method of calculation shown in Chart 1 is the most widely used, and is often referred to by the media as the **"inflation rate"**. It is based on the percent change between the current month and the same month the previous year.

Manitoba's annual inflation rate of 2.6% in July was the second lowest rate among the provinces. Prince Edward Island recorded the highest increase at 5.3%, while New Brunswick recorded the lowest rate at 2.5%. The Winnipeg all items increase was 2.6% in July, unchanged from an annual rate of 2.6% in June.

Between July 2007 and July 2008, Manitoba saw lower prices for the purchase and leasing of passenger vehicles, women's clothing, recreational equipment and services (excluding recreational vehicles), home entertainment equipment - parts and services, personal care supplies and equipment, property taxes (including special charges), as well as furniture. These declines were offset by higher prices for gasoline, passenger vehicle insurance premiums, replacement cost, inter-city transportation, food purchased from restaurants, and bakery products.

On a monthly basis, the Manitoba all-items index was 0.5% higher in July, down slightly from the 0.8% increase in June. Items recording lower prices last month included the purchase and leasing of passenger vehicles, women's clothing, fresh fruit, sugar and confectionery, fresh or frozen chicken, as well as furniture. These declines were offset by increases in gasoline, electricity, men's clothing, passenger vehicle registration fees, and fresh vegetables. Prices at the national level increased by 0.3% in July, down from the 0.7% increase in June.

CHART 1. CONSUMER PRICE INDEX
MONTHLY INFLATION RATE
MANITOBA AND CANADA



DATA SOURCE: STATISTICS CANADA
MANITOBA BUREAU OF STATISTICS

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CHART 2. CONSUMER PRICE INDICES
PERCENT CHANGE FROM JULY 07 TO JULY 08
ALL ITEMS: CANADA AND PROVINCES

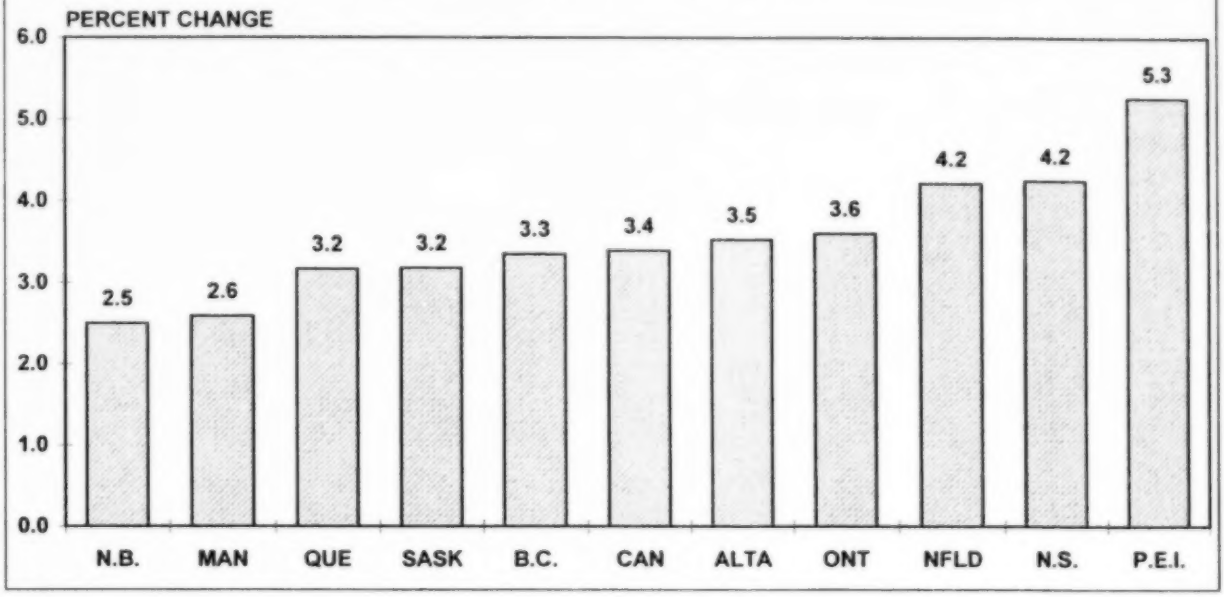
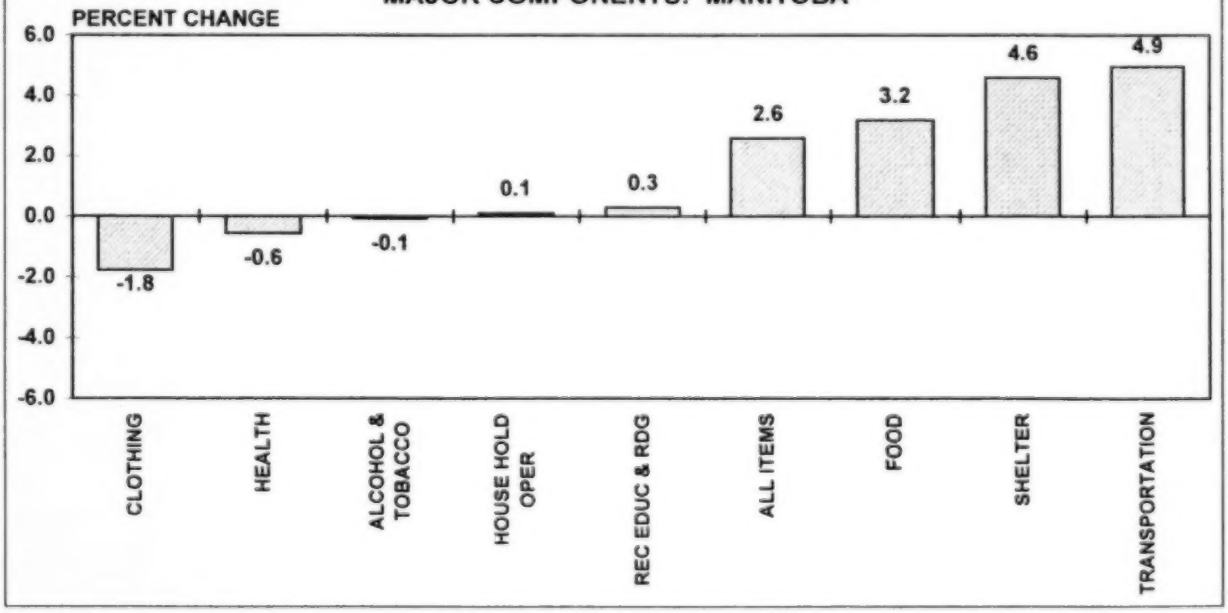


CHART 3. CONSUMER PRICE INDICES
PERCENT CHANGE FROM JULY 07 TO JULY 08
MAJOR COMPONENTS: MANITOBA



DATA SOURCE: STATISTICS CANADA
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TABLE 1: CONSUMER PRICE INDICES FOR JULY 2008

(2002 = 100)

	MANITOBA					CANADA				
	JUL 08	JUN 08	PERCENT CHANGE	JUL 07	PERCENT CHANGE	JUL 08	JUN 08	PERCENT CHANGE	JUL 07	PERCENT CHANGE
MAIN COMPONENTS:										
ALL ITEMS	115.0	114.4	0.5	112.1	2.6	115.8	115.4	0.3	112.0	3.4
FOOD	117.1	116.1	0.9	113.5	3.2	116.5	115.8	0.6	112.3	3.7
SHELTER	121.0	120.2	0.7	115.7	4.6	123.3	122.3	0.8	117.0	5.4
HOUSEHOLD OPERATIONS AND FURNISHINGS	104.6	104.3	0.3	104.5	0.1	104.4	104.3	0.1	103.2	1.2
CLOTHING AND FOOTWEAR	94.1	92.5	1.7	95.8	-1.8	93.3	92.5	0.9	94.6	-1.4
TRANSPORTATION	125.1	124.7	0.3	119.2	4.9	125.7	125.8	-0.1	118.5	6.1
HEALTH AND PERSONAL CARE	106.6	106.6	0.0	107.2	-0.6	108.5	108.7	-0.2	107.5	0.9
RECREATION, EDUCATION AND READING	103.7	103.6	0.1	103.4	0.3	103.2	102.9	0.3	103.0	0.2
TOBACCO AND ALCOHOL	125.9	125.7	0.2	126.0	-0.1	127.6	127.7	-0.1	126.0	1.3
SPECIAL AGGREGATES:										
ALL ITEMS EXCL. FOOD	114.5	114.0	0.4	111.7	2.5	115.7	115.3	0.3	111.9	3.4
ALL ITEMS EXCL. FOOD AND ENERGY	109.4	109.1	0.3	108.3	1.0	110.4	110.3	0.1	109.1	1.2
ENERGY	162.4	159.1	2.1	143.2	13.4	169.1	165.3	2.3	139.6	21.1
GOODS	111.7	111.0	0.6	110.6	1.0	112.1	111.6	0.4	108.6	3.2
SERVICES	118.6	118.1	0.4	113.6	4.4	119.4	119.1	0.3	115.3	3.6

DATA SOURCE: STATISTICS CANADA

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TABLE 2: CONSUMER PRICE INDICES FOR JULY 2008

(2002 = 100)

	ALL ITEMS					FOOD				
	JUL 08	JUN 08	PERCENT CHANGE	JUL 07	PERCENT CHANGE	JUL 08	JUN 08	PERCENT CHANGE	JUL 07	PERCENT CHANGE
MANITOBA	115.0	114.4	0.5	112.1	2.6	117.1	116.1	0.9	113.5	3.2
WESTERN PROVINCES										
SASKATCHEWAN	116.9	117.0	-0.1	113.3	3.2	115.9	115.0	0.8	111.7	3.8
ALBERTA	123.3	124.0	-0.6	119.1	3.5	115.4	114.8	0.5	112.4	2.7
BRITISH COLUMBIA	114.2	113.6	0.5	110.5	3.3	113.9	113.1	0.7	109.7	3.8
EASTERN PROVINCES										
ONTARIO	115.1	114.2	0.8	111.1	3.6	117.0	116.1	0.8	112.2	4.3
QUEBEC	114.1	114.1	0.0	110.6	3.2	117.4	117.1	0.3	114.0	3.0
MARITIME PROVINCES										
NEW BRUNSWICK	114.9	114.5	0.3	112.1	2.5	118.8	117.5	1.1	114.4	3.8
NOVA SCOTIA	117.8	117.8	0.0	113.0	4.2	119.0	118.5	0.4	114.5	3.9
PRINCE EDWARD ISLAND	120.0	119.5	0.4	114.0	5.3	118.6	117.3	1.1	114.3	3.8
NEWFOUNDLAND/LABRADOR	116.3	115.4	0.8	111.6	4.2	115.8	114.0	1.6	110.3	5.0
* MANITOBA RANK			7		2			7		3

DATA SOURCE: STATISTICS CANADA

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* Ranking is done in ascending order from the lowest to the highest

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TABLE 3: PERCENT CHANGE COMPARISONS, MANITOBA AND CANADA

(AS OF JULY 2008)

	(1) CHANGE FROM SAME MONTH LAST YEAR		(2) CURRENT ANNUAL RATE OF CHANGE		(3) 12 - MONTH ANNUAL RATE	
MAIN COMPONENTS	MANITOBA	CANADA	MANITOBA	CANADA	MANITOBA	CANADA
ALL ITEMS	2.6	3.4	8.4	8.4	1.9	2.3
FOOD	3.2	3.7	10.9	11.0	1.3	1.7
SHELTER	4.6	5.4	6.9	7.1	4.2	4.2
HOUSEHOLD OPERATIONS AND FURNISHINGS	0.1	1.2	0.4	0.0	0.2	1.2
CLOTHING AND FOOTWEAR	-1.8	-1.4	-0.8	-4.2	-2.4	-1.3
TRANSPORTATION	4.9	6.1	19.7	20.0	2.4	2.8
HEALTH AND PERSONAL CARE	-0.6	0.9	-1.5	0.7	0.4	1.3
RECREATION, EDUCATION AND READING	0.3	0.2	5.2	6.4	1.0	0.9
TOBACCO AND ALCOHOL	-0.1	1.3	1.9	2.9	1.9	2.4
SPECIAL AGGREGATES:						
ALL ITEMS EXCL. FOOD	2.5	3.4	7.7	8.0	2.0	2.4
ALL ITEMS EXCL. FOOD AND ENERGY	1.0	1.2	2.6	1.8	1.1	1.5
ENERGY	13.4	21.1	47.8	60.7	8.4	9.6
GOODS	1.0	3.2	9.5	11.1	0.1	1.0
SERVICES	4.4	3.6	7.0	5.9	3.8	3.5

DATA SOURCE: STATISTICS CANADA

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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS THREE DIFFERENT METHODS:

(1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.

(2) PROVIDES A MEASURE OF THE CURRENT ANNUAL RATE OF INFLATION. THE GROWTH RATE OVER THE PRECEEDING THREE MONTHS IS CALCULATED AND THEN COMPOUNDED AT AN ANNUAL RATE. IT SHOULD BE NOTED THAT THESE CALCULATIONS HAVE NOT BEEN SEASONALLY-ADJUSTED.

(3) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

TABLE 4: CONSUMER PRICE INDICES FOR JULY 2008: ALL ITEMS

(2002 = 100)

	JUL 08	JUN 08	PERCENT CHANGE	(1) CHANGE FROM SAME MONTH LAST YEAR	(2) 12 - MONTH ANNUAL RATE
WINNIPEG	114.8	114.2	0.5	2.6	1.9
WESTERN CITIES					
REGINA	116.3	116.2	0.1	3.4	2.9
SASKATOON	118.1	118.3	-0.2	3.5	4.4
CALGARY	123.0	123.9	-0.7	3.3	3.7
EDMONTON	123.6	123.7	-0.1	4.0	4.4
VANCOUVER	114.7	113.9	0.7	3.6	1.9
VICTORIA	113.3	113.0	0.3	2.9	1.2
EASTERN CITIES					
THUNDER BAY	112.1	111.2	0.8	3.2	1.6
TORONTO	114.9	113.8	1.0	3.8	2.2
OTTAWA	115.0	114.0	0.9	3.5	1.9
MONTREAL	113.9	113.8	0.1	3.1	1.9
QUEBEC	113.7	113.7	0.0	3.0	1.9
MARITIME CITIES					
SAINT JOHN, N.B.	115.0	114.5	0.4	2.6	2.3
HALIFAX	116.9	116.9	0.0	4.0	2.8
CHARLOTTETOWN	119.2	118.8	0.3	5.1	3.0
ST. JOHN'S, NFLD	115.8	114.8	0.9	4.2	2.3
* WINNIPEG RANK (OUT OF 16 CITIES)			11	2	3

DATA SOURCE: STATISTICS CANADA

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* Ranking is done in ascending order from the lowest to the highest

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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS TWO DIFFERENT METHODS:

(1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.

(2) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

Manitoba